(c) by when the Committee is to submit its report ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) Yes, Sir.

(b) The terms of reference of the Committee are given in the Statement attached (*See* below).

(c) The Committee is expected to submit its report within six months.

STATEMENT

TERMS OF REFERENCE OF THE R. N. MALHOTRA COMMITTEE FOR RESTRUCTURING THE INSURANCE SECTOR IN INDIA.

(i) To examine the structure of the insurance industry as it has evolved within the existing framework and to assess its strengths and weaknesses in terms of the objective of creating an efficient and viable insurance industry providing a vide reach of insurance services and a variety of insurance products with a high quality of service to the public and serving as an effective instrument for mobilisation of financial resources for development.

(ii) To make recommendations for changes in the structure of the insurance industry, as well as the general framework of policy, may be appropriate for the pursuit of the above objectives keeping in mind the structural changes currently underway in other parts of the financial system and in the economy.

(iii) To make specific suggestions regarding LIC and GIC, which would help to improve the functioning of these organisations in the changing economic environment.

(iv) To review the present structure of regulation and supervision of the insurance sector and to make recommendations for strengthening and modernising the regulatory system in tune with changing requirements.

(v) To review and make recommendations on the role and functioning of surveyors, intermediatries and other ancilliaries of the insurance sector.

(vi) To make recommendations on such other matters as the Committee considers relevant for the health and long term development of the insurance sector or which are consequential on other recommendations made by the Committee, including changes in legislation where necessary.

Economic Agreement with Norway

899. SHRI B. K. HARIPRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether Government of India have signed an economic agreement with Norway for assistance in the economic development of Karnataka; and

(b) if so, in what areas Government propose to utilise the Norwegian aid package vis-a-vis the pressing needs of Karnataka in areas like health and family welfare and fishing and equaculture for which Norway has proven expertise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) No Sir. The Government of India has not signed any economic agreement with Norway for assistance in the economic development of Karnataka. However, during the Annual Consultations between Government of India and Norwegian Agency for Development Cooperation held in March, 1993 Norway has shown interest in contributing towards

an economically and environmentally sustainable development especially in Karnataka, Rajasthan, Orissa and Himachal Pradesh.

Anomalies in Excise Duty Structure

900. SHRI MOHD. KHALEELUR RAHMAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Indian Electrical and Electronics Manufacturers' Association has pointed out anomalies in excise duty structure arising out of the budget provisions ;

(b) if so, what are the details thereof ;

(c) what steps Government propose to take to remove the anomalies ;

(d) whether they have also represented that duty on electrical insulators of all types falling under Tariff item 83.12, Tariff item 85.44 and Tariff item 85.46 be reduced to 10 per cent ad valorem and on Tariff item 7225.10 : 7226.10 to 60 per cent ad valorem ;

(e) whether any expert advice has been taken in this regard, if not, what are the reasons therefor ; and

(f) what action Government have taken on the representation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURTHY) : (a) to (f) The Indian Electrical and Electronics Manufacturers' Association, in their letters dated 4th March, 1993 and 11th March, 1993 have stated that post-budget excise duty structure has led to certain anomalies. In the representation, the Association has, inter alia, stated that excise duty of 35 per cent on electrical wires and cables of heading No. 85.44 and 40 per cent on electrical insulators of heading No. 85.46 of Central Excise Tariff is anomalous. Similarly, in respect of transformers, motors and switchgears the excise duty on finished goods is 5 per cent while that on their inputs is higher. The Association has also requested for reduction in import duty on items falling under sub-heading Nos. 7225.10, 7226.10 of the Customs Tariff to 60 per cent ad valorem and reduction in excise duty on items falling under Heading Nos. 83.12, 85.44 and 85.46 of the Central Excise Tariff to 10 per cent ad valorem.

The Government have examined the various points referred to above. It has not been found possible to accede to the requests made by the Association at present.

Cultivation of Opium

901. SHRI RAMDAS AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that India is the World's largest legal grower of opium but the area under legal cultivation has declined by 80 per cent between 1978 and 1992 ;

(b) whether it is also a fact that the seizures of Illicit opium fell from 29,145 Kgs. in 1991 to 1,813 Kgs. in 1992 ;

(c) if so, what are the reasons therefor ;

(d) whether the special State Narcotics courts mandated by the 1988 drug law to expedite trials of drug traffickers have been set-up in the country if so, what are State-wise details thereof ;

(e) what is the number of persons who were arrested under the Narcotics and Psychotropic substances Act, during 1992 both by the Central and State Agencies as compared to the year 1991 state-wise details thereof ; and

(f) what effective steps the Central Government propose to take to control the illicit growth and business of Narcotics and for the setting up of more Special Narcotics Courts in all States by 1993-94 ?